

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF NEW YORK**

United States of America,

Plaintiff,

v.

Civil Action No.: 1:20-cv-1155 (DNH/TWD)

\$102,090 in U.S. Currency,

Defendant.

**VERIFIED COMPLAINT FOR FORFEITURE IN REM**

The United States of America brings this verified complaint for forfeiture *in rem* against the above-captioned assets (the “defendant currency”) and alleges as follows:

**NATURE OF THE ACTION**

This is an action *in rem* brought pursuant to 21 U.S.C. § 881(a)(6) and Rule G of the Supplemental Rules for Certain Admiralty or Maritime Claims and Asset Forfeiture Actions. Forfeiture is sought of the defendant currency as money furnished or intended to be furnished in exchange for a controlled substance and proceeds traceable to such an exchange, in violation of 21 U.S.C. § 841.

**THE PARTIES**

1. Plaintiff is the United States of America.
2. The defendant currency – \$102,090 in U.S. Currency – is in the custody of the United States.

**JURISDICTION AND VENUE**

3. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1345 and 1355.

4. This Court has *in rem* jurisdiction over the defendant currency pursuant to 28 U.S.C. § 1335(b).

5. Venue is proper in this district pursuant to 28 U.S.C. §§ 1335 and 1339.

## FACTS

6. Adam Houghton and Gary Davis sold illegal drugs from Davis's two homes, in Kingston, New York. Authorities executed search warrants in July 2019, and seized the \$102,090 in defendant currency from two safes in Davis's bedroom closet that were covered in cocaine residue, and also contained large quantities of cocaine, marijuana and illegally possessed guns. Also seized from Davis's closet were drug-packaging material, a digital scale and cutting agents.

7. In early 2019, authorities received credible information from a confidential source (CS) about Houghton's and Davis's drug-trafficking activity. The CS initially explained that Houghton sold cocaine from [REDACTED], in Kingston. The CS later identified Davis as Houghton's supplier; stated that Houghton stored his drug supply at [REDACTED], in Kingston; and explained that Davis directed Houghton to return to [REDACTED] with the proceeds from each drug sale.

8. Davis owned both the [REDACTED] and [REDACTED] properties.

9. Between May and June 2019, authorities conducted four "controlled buys" (*i.e.*, the purchase of drugs under covert law-enforcement surveillance) in which Houghton sold the CS, in total, more than 56 grams of cocaine.

10. Authorities observed Houghton leave Davis's [REDACTED] property before each buy and return after, each time driving either a Buick LeSabre or a Dodge Caravan registered to Davis.

11. On July 10, 2019, the CS called Houghton and the two arranged to meet in the New Ulster Marine area. Authorities observed Houghton leave Davis's [REDACTED] property and, when

he arrived in New Ulster Marine, they saw Houghton sell 30.2 grams of cocaine to the CS. Houghton was placed under arrest and transported to the police station. After being advised of his *Miranda* rights, Houghton admitted that he had sold cocaine on more than a dozen occasions.

12. That same day, authorities executed search warrants of Davis's [REDACTED] and [REDACTED] properties.

13. The [REDACTED] property appeared uninhabited and contained no drugs or other contraband.

14. On information and belief, Davis and Houghton both resided at [REDACTED]

15. Houghton's personal belongings were found on the first floor of the [REDACTED] home, near a loaded shotgun.

16. The defendant currency was located in two safes on the second floor of the [REDACTED] home, in Davis's bedroom closet. On top of the safe were drug-packaging material, a digital scale, cutting agents, a grinder and vinyl gloves.

17. The smaller safe, which was covered in cocaine residue, contained \$100,000 of the defendant currency. The money, which consisted of 1,000 one hundred dollar bills, was stored in rubber bands in stacks of \$1,000, which, in turn, were bundled in larger rubber bands into 10 piles of \$10,000 each.

18. The larger safe, which was also covered in cocaine residue, contained 448.4 grams of cocaine, 296.6 grams of marijuana, three handguns, and \$2,090 of the defendant currency.

19. In total, officers found and seized seven firearms from the home (*i.e.*, a loaded shotgun, three long guns and three handguns). Davis could not legally possess these firearms because of his prior felony convictions, including for drug trafficking.

20. Houghton pled guilty in in Ulster County Court to Criminal Sale of a Controlled Substance in the 2<sup>nd</sup> Degree. He was sentenced principally to four years imprisonment.

21. Davis was charged in Kingston City Court with Criminal Possession of a Controlled Substance in the 3<sup>rd</sup> Degree and multiple gun charges. Those charges remain pending.

22. In June 2020, Davis filed an administrative claim with the U.S. Customs and Border Protection for the \$102,090 in defendant currency claiming, under penalty of perjury, that the money found in the safes constitutes his “inheritance and life savings.”

### **CONCLUSION**

23. The facts set forth above support a reasonable belief that the government will be able to meet its burden of proof at trial. Specifically, probable cause exists to believe that the defendant currency constitutes: (a) money furnished or intended to be furnished by a person in exchange for a controlled substance in violation of the Controlled Substances Act; (b) proceeds traceable to such an exchange; or (c) money used or intended to be used to facilitate a violation of the Controlled Substances Act.

WHEREFORE, pursuant to Supplemental Rule G, plaintiff the United States of America, respectfully requests that the Court:

- (1) Issue a Warrant of Arrest *In Rem*, in the form submitted with this Complaint;
- (2) Direct any person having any claim to the defendant currency to file and serve their Verified Claims and Answers as required by 18 U.S.C. § 983(a)(4) and Supplemental Rule G;
- (3) Enter judgment declaring the defendant property to be forfeited and condemned to the use and benefit of the United States; and
- (4) Award such other and further relief to the United States as it deems proper and just.

Dated: September 22, 2020

ANTOINETTE T. BACON  
Acting United States Attorney

By: */s/ Adam J. Katz*  
Adam J. Katz  
Assistant United States Attorney  
Bar Roll No. 517894

VERIFICATION

STATE OF NEW YORK )  
COUNTY OF ALBANY ) ss:  
                      )

Aaron Cady being duly sworn, deposes and states:

I am a Special Agent with Homeland Security Investigations. I have read the foregoing Complaint for Forfeiture *In Rem* and assert that the facts contained therein are true to the best of my knowledge and belief, based upon knowledge possessed by me and/or on information received from other law enforcement officers.

Dated this 22<sup>nd</sup> day of September, 2020.

  
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Aaron Cady, Special Agent  
Homeland Security Investigations

Sworn to and subscribed before me this 22<sup>nd</sup> day of September, 2020.

  
\_\_\_\_\_  
Notary Public

Jessica Fereday  
Notary Public, State of New York  
No.: 01FE6053483  
Qualified in Rensselaer County  
Commission Expires: January 8, 2023

